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August 28, 2007

BY E-FILE AND HAND DELIVERY

The Honorable Mary Pat Thyng
United States Magistrate Judge
United States District Court
District of Delaware
J. Caleb Boggs Federal Building
844 North King Street
Wilmington, DE 19801

Re: Ad Hoc Committee of Equity Holders of
Tectonic Network, Inc. v. Wolford, et al (D. Del. No. 06-665)

Dear Judge Thyng:

We represent defendants and we are writing in response to the letter to you from plaintiff's counsel dated August 27, 2007 concerning discovery issues in this matter. I do not deny that the document gathering process in this matter has moved slowly. Our clients are multiple individuals most with no continuing relationship except that they have all been named together in this action.

Some have provided documents for us to produce and others have told us that they retained no documents either hard copy or electronic. We have also located all of the Tectonic corporate records we could find independently. It is our hope to produce some of what we have assembled this week.

We have been extremely candid with plaintiff's counsel about our overarching problem in this matter and we also reported this in our last telephone conference with Your Honor. The insurer has denied coverage and separate counsel has been engaged to deal with that issue. So

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August 28, 2007

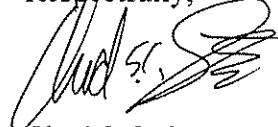
Page 2

far, little progress seems to have been made. The individual defendants do not have the resources to support this litigation, let alone this and the insurance dispute. Legal fees are not being paid and we are fronting the cost of document assembly, review and copying.

We also believe that we have pending a very strong motion to dismiss which should moot all other issues in this matter. Having said all this, we are, none the less, working to respond as fully as possible to the pending document requests.

We had informed plaintiff's counsel that we did not believe we had reached a point where it was necessary for Your Honor to intervene in this matter, especially in light of the fact that we have more than five months before the discovery cut-off. Obviously, they do not agree and we look forward to discussing these issues with Your Honor on Tuesday morning.

Respectfully,



Chad S.C. Stover

CSS:hbt

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